HUMAN SERVICES DEPARTMENT[441]

Notice of Intended Action

Twenty-five interested persons, a governmental subdivision, an agency or association of 25 or more persons may demand an oral presentation hereon as provided in Iowa Code section 17A.4(1)"b."

Notice is also given to the public that the Administrative Rules Review Committee may, on its own motion or on written request by any individual or group, review this proposed action under section 17A.8(6) at a regular or special meeting where the public or interested persons may be heard.

Pursuant to the authority of Iowa Code section 249A.4 and 2013 Iowa Acts, Senate File 446, section 129, the Department of Human Services proposes to amend Chapter 79, "Other Policies Relating to Providers of Medical and Remedial Care," Iowa Administrative Code.

The Legislature rescinded the requirement that the Department adjust payments for physician services rendered in facility settings, consistent with similar policy/methodology used under the federal Medicare program. The Department understands that the intent was to eliminate the adjustments applied to any physician services rendered in facility settings pursuant to paragraph 79.1(7)"b" adopted in 2011. Therefore, that paragraph is being rescinded.

Pursuant to the legislative intent to remove the site-of-service (SoS) payment adjustments beginning with state fiscal year 2014 (i.e., beginning July 1, 2013), the Iowa Medicaid Enterprise (IME) will submit a state plan amendment (SPA) with an effective date of July 1, 2013, to remove the SoS payment adjustments. Once approval from the Centers for Medicare and Medicaid Services (CMS) has been received, the IME will reprocess claims for dates of service on or after July 1, 2013, to remove the SoS adjustments that were made for that time period.

Any interested person may make written comments on the proposed amendment on or before August 27, 2013. Comments should be directed to Harry Rossander, Bureau of Policy Coordination, Department of Human Services, Hoover State Office Building, 1305 East Walnut Street, Des Moines, Iowa 50319-0114. Comments may be sent by fax to (515)281-4980 or by e-mail to policyanalysis@dhs.state.ia.us.

This amendment does not provide for waivers in specified situations because requests for the waiver of any rule may be submitted under the Department's general rule on exceptions at 441—1.8(17A,217).

After analysis and review of this rule making, no impact on jobs has been found.

This amendment is intended to implement Iowa Code section 249A.4.

The following amendment is proposed.

Amend subrule 79.1(7) as follows:

79.1(7) *Physicians.*

- a. No change.
- b. Payment reduction for services rendered in facility settings. The fee schedule amount paid to physicians based on paragraph 79.1(7) "a" shall be reduced by an adjustment factor as determined by the department. For the purpose of this provision, a "facility" place of service (POS) is defined as any of the following:
 - (1) Hospital inpatient unit (POS 21).
 - (2) Hospital outpatient unit (POS 22).
 - (3) Hospital emergency room (POS 23).
 - (4) Ambulatory surgical center (POS 24).
 - (5) Skilled nursing facility (POS 31).
 - (6) Inpatient psychiatric facility (POS 51).
 - (7) Community mental health center (POS 53).
 - (8) Comprehensive inpatient rehabilitation (POS 61).
 - c. No change.